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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/740,420	12/19/2000	Bob F. Harshaw	42482	5105

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EXAMINER

COLON, CATHERINE M

ART UNIT	PAPER NUMBER
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3623

DATE MAILED: 03/29/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

Office Action Summary

Application No.

09/740,420

Applicant(s)

HARSHAW, BOB F.

Examiner

C. Michelle Colon

Art Unit

3623

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 19 December 2000.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-17 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-10 and 12-17 is/are rejected.
- 7) ☒ Claim(s) 11 is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
- ☐ Certified copies of the priority documents have been received.
 - ☐ Certified copies of the priority documents have been received in Application No. _____.
 - ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413)
Paper No(s)/Mail Date. _____ |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | 5) <input type="checkbox"/> Notice of Informal Patent Application (PTO-152) |
| 3) <input type="checkbox"/> Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)
Paper No(s)/Mail Date _____ | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

1. The following is a Non-Final Office Action in response to the communication received on December 19, 2000. Claims 1-17 are now pending in this application.

Claim Rejections - 35 USC § 101

2. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

3. Claims 1-17 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

The basis of this rejection is set forth in a two-prong test of:

- (1) whether the invention is within the technological arts; and
- (2) whether the invention produces a useful, concrete, and tangible result.

As per the first prong of the test, for a claimed invention to be statutory, the claimed invention must be within the technological arts. Mere ideas in the abstract (i.e., abstract idea, law of nature, natural phenomena) that do not apply, involve, use, or advance the technological arts fail to promote the "progress of science and the useful arts" (i.e., the physical sciences as opposed to social sciences) and therefore are found to be non-statutory subject matter. For a process claim to be satisfactory, the recited process must somehow apply, involve, use, or advance the technological arts.

In the present case, the steps of claims 1-17 recite developing a new product for introduction to the marketplace; however, none of the steps apply, involve, use, or

advance the technological arts since all of the recited steps can be performed in person or by use of a pencil and paper and without the need of a computer or other technology.

As per the second prong of the test, for a claimed invention to be statutory, the claimed invention must produce a useful, concrete, and tangible result. In the present case, the claimed invention develops a new product for introduction to the marketplace (i.e., concrete) and licenses the new product in return for royalty payments (i.e., useful and tangible).

Although the recited process produces a useful, concrete, and tangible result, since the claimed invention, as a whole, is not within the technological arts as explained above, claims 1-17 are directed to non-statutory subject matter.

Claim Rejections - 35 USC § 102

4. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

5. Claims 9, 12, 16 and 17 are rejected under 35 U.S.C. 102(e) as being anticipated by Asplen, Jr. (U.S. 6,044,354).

As per claim 9, Asplen, Jr. discloses a method for developing new products, comprising:

providing a plurality of pools, each pool associated with a predetermined subject matter and administered by a pool manager and receiving a predetermined number of new product concepts into each said pool, each said new product concept being registered by a submitter to one of said pools having a subject matter in common with the subject matter of said new product concept (col. 2, line 49-col. 3, line 9; Figure 1A; The system allows users to submit ideas for new or existing products.);

formulating a market survey relative to each new product concept, submitting each market survey to each of said plurality of submitters and soliciting a response relative thereto, and analyzing said responses to said market surveys whereby to select said one new product concept for market introduction (col. 3, lines 10-27; New product ideas are evaluated to determine whether to continue with the product idea or discard the product idea.);

transforming each said new product concept into a developed new product suitable for introduction to the marketplace (col. 4, lines 20-46; col. 5, lines 5-15; Figures 3 and 4; The system develops product ideas into products for introduction to the marketplace.); and

introducing each said selected new product concept into the marketplace whereby to obtain sales transactions therefor (col. 5, lines 16-19 and 29-31; Figure 5; The system includes a product launch for introducing the new product into the marketplace.).

As per claim 12, Asplen, Jr. discloses a method as in claim 9 wherein transforming the selected new product concept into a developed new product comprises:

engineering each said selected new product concept to optimize the utility function thereof through application of innovative design methodology (col. 5, lines 4 – 25; Figures 4 and 5; The system utilizes Engineering and Installation throughout the development process.); and

obtaining a degree of proprietary protection for each said selected new product concept by filing and prosecuting at least one patent application covering the novel elements of each said selected new product concept (col. 3, lines 49 – 53; Figure 3; The invention disclosed by Asplen, Jr. analyzes the feasibility of a product concept from a strategic perspective to include legal and regulatory strategies referenced in Figure 3. For most companies in today's industry, pursuing a patent is part of the legal strategy for the organization.).

As per claim 16, Asplen, Jr. discloses a method as in claim 9 further comprising notifying said new product concept submitters associated with each pool when one new product concept has been selected from said pool and identifying said selected new product concept (col. 3, lines 23-26; The system notifies the submitter the results of the screening of the new product concept.)

As per claim 17, Asplen, Jr. discloses a method as in claim 9 wherein each market survey includes a conjoint analysis component having multiple attributes and multiple levels designed to predict the marketability of a respective new product concept

(col. 3, lines 10-27; New product ideas are evaluated to determine whether to continue with the product idea or discard the product idea.).

Claim Rejections - 35 USC § 103

6. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

7. Claim 10 is rejected under 35 U.S.C. 103(a) as being unpatentable over Asplen, Jr. (U.S. 6,044,354) as applied above, and Kossovsky et al. (U.S. 2002/0004775).

As per claim 10, Asplen, Jr. does not expressly disclose a method as in claim 9 wherein introducing each said developed new product concept into the marketplace further comprises: marketing each said developed new product to at least one potential manufacturer so as to influence said potential manufacturer to execute a licensing agreement relative to said developed new product; and licensing each said developed new product to a manufacturer for manufacture, distribution, and sale in a market mutually selected by said pool manager and said manufacturer, each said license including parameters for distributing revenue derived from sale transactions relative to said developed new product.

Kossovsky et al. discloses an online patent and license exchange for marketing patents for potential licensing agreements with interested parties (paragraphs 6, 9, 10).

At the time the invention was made, it would have been obvious to a person of ordinary skill in the art to market the developed new product to the marketplace for potential licensing agreements because the main purpose of creating and developing a product is to have profitable revenue generation and licenses provide a key source of revenue generation for businesses.

8. Claims 13-15 are rejected under 35 U.S.C. 103(a) as being unpatentable over Asplen, Jr. (U.S. 6,044,354) as applied above, and Incubate.com.

As per claims 13 and 14, Asplen, Jr. does not expressly disclose the methods as in claims 12 and 9 wherein receiving said new product concepts into said pools includes requiring payment of a registration fee for each new product concept registered by a submitter, said registration fees being used to fund said steps of engineering each said selected new product concept and obtaining a degree of proprietary protection for each said selected new product concept, and the registration fee being dependent upon the subject matter associated with the pool into which a new product concept is registered.

Incubate.com discloses requiring payment of a registration fee for each new product concept registered by a submitter, said registration fees being used to fund said steps of engineering each said selected new product concept and obtaining a degree of proprietary protection for each said selected new product concept, and the registration fee being dependent upon the subject matter associated with the pool into which a new product concept is registered (page 1, under "Thanks for your interest in Incubate.com!"). At the time the invention was made, it would have been obvious to a

person of ordinary skill in the art to require registration fees upon submitting of a product concept and use the fees for engineering and legal services because it makes the most economic sense for incubators to reinvest profits earned from developed product ideas into other new product ideas. Incubate.com's Web site discloses their fee as being an equity stake in the portfolio company. It is well known in the art of incubators that the fee for receiving and developing an idea is through receiving share in the developed company. Furthermore, it is also well known in the art of incubating and even venture capitalism that money earned from revenue of one product concept is used to fund and develop other product concepts.

As per claim 15, Asplen, Jr. does not expressly disclose a method as in claim 9 further comprising the step of combining two or more pools into a single pool if a predetermined number of new product concepts are not received into a single pool within a predetermined period of time.

Incubate.com [online] discloses combining two or more pools into a single pool if a predetermined number of new product concepts are not received into a single pool within a predetermined period of time (page 1, item 4, under "Thanks for your interest in Incubate.com!"). At the time the invention was made, it would have been obvious to a person of ordinary skill in the art to combine two or more pools into a single pool because it is most economically viable for an incubator to invest resources to develop fewer, more established product concepts than to invest in several, less established concepts (page 1, under "What we do").

Allowable Subject Matter

9. Claim 11 is objected to as being dependent upon a rejected base claim, but would be allowable if rewritten in independent form including all of the limitations of the base claim and any intervening claims.

Claims 1-8 would be considered allowable if they overcame the 35 U.S.C. 101 rejections.

Conclusion

10. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure.

- Hunter et al. (U.S. 6,298,327) discusses a system for authoring patent applications/invention disclosures;
- Turnbull (U.S. 5,208,765) discusses a system for product development; and
- Purlia (U.S. 3,850,433) discusses a game involving patent transactions.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to C. Michelle Colon whose telephone number is 703-605-4251. The examiner can normally be reached Monday – Thursday from 8:30am to 5:30pm and every other Friday from 8:30am to 5:30pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Tariq Hafiz, can be reached at 703-305-9643.

Any inquiry of a general nature or relating to the status of this application or proceeding should be directed to the receptionist whose telephone number is 703-308-1113.

Any response to this action should be mailed to:

Commissioner of Patents and Trademarks

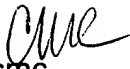
Washington D.C. 20231


or faxed to:

703-305-7687 [Official Communications; including After Final
communications labeled "Box AF"]

703-746-7202 [For status inquiries, draft communication, labeled
"Proposed" or "Draft"]

Hand delivered responses should be brought to Crystal Park 5, 2451 Crystal Drive, Arlington, VA 7th floor receptionist.


cmc
March 19, 2004


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